



United States
Department of
Agriculture

Farmers
Home
Administration

Washington
D.C.
20250

FmHA AN No. 1789 (1951)

August 29, 1988

SUBJECT: FmHA State Office Debt Restructuring Support Teams
(DRSTs) and State Office Debt Restructuring
Assessment Teams (DRATs)

TO: State Director, and District Directors

PURPOSE/INTENDED OUTCOME:

The regulations to implement provisions of the Agricultural Credit Act of 1987 will be published within the next several weeks. The Primary and Preservation Loan Service Programs will provide a large number of alternatives for restructuring and other means to resolve delinquencies and keep Farmers Home Administration (FmHA) borrowers in farming.

This process for many borrowers will be difficult and time consuming, even with the use of the Debt and Loan Restructuring System (DALR\$). The intended outcome of this Administrative Notice is to establish State Office Debt Restructuring Support Teams (DRSTs) and State Office Debt Restructuring Assessment Teams (DRATs) to assist with processing of applications for Primary and Preservation Loan Service Programs; and to monitor the implementation of the new debt restructuring regulations.

COMPARISON WITH PREVIOUS AN:

No previous AN has been issued on this subject.

IMPLEMENTATION RESPONSIBILITIES:

EXPIRATION DATE:
August 31, 1989

FILING INSTRUCTIONS:
Preceding FmHA
Instruction 1951-S
(NOTE: This
Instruction will be
issued shortly.
File the AN with the
Instruction when it
is received.)



Farmers Home Administration is an Equal Opportunity Lender.
Complaints of discrimination should be sent to:
Secretary of Agriculture, Washington, D.C. 20250

State Office DRST. Each State Director will form DRSTs to assist in expediting the processing of both Primary and Preservation Loan Service Program applications. When a County Office receives more applications than can be processed in 60 days, assistance must be provided. This team can consist of the same members as the Emergency Loan Support Teams (ELST) that have been formed in states to assist in processing Emergency (EM) loan applications.

State Directors should prepare to use the DRSTs formed in their State(s) along with other available FmHA personnel, to meet the processing requirements set forth in the Act for Primary and Preservation Loan Service applications. If additional help is needed beyond that available in the State, including the use of overtime, temporary personnel, and/or private contractor(s), State Directors should be prepared to request additional resources from other states.

Each State Director will issue a State Supplement establishing a DRST for the State(s) under his/her jurisdiction. This Supplement will name the team leader and all members. A copy of this Supplement will be sent to the National Office, Attention: Assistant Administrator Farmer Programs.

State Office DRAT. Each State Director will form DRATs to be deployed as necessary once the new restructuring regulations become effective. Monitoring Farmer Programs debt restructuring activities is a very necessary requirement in order to minimize processing errors and assure that regulations are being explicitly followed.

The DRAT should be composed of State Office Farmer Programs Staff Members, District Directors or Assistant District Directors, County Supervisors, Office Management Assistants/Program Review Assistants, and auditors from the Office Inspector General if they desire to participate. The team leader will keep the State Director informed by telephone and by submission of weekly written reports, setting forth the status of application processing, problems identified, and the corrective actions taken or to be taken to insure that applications are being processed as set forth in FmHA regulations. The State Director will keep all County and District Offices informed of the common problems found and require appropriate corrective action to be taken.

A copy of the DRST and or DRAT team leader's report will be forwarded to the National Office by telefax on FTS: 382-8098, Attention: Assistant Administrator Farmer Programs. Questions on the development of the DRST and/or DRAT Teams can be directed by telephone to Chester Bailey on FTS: 382-1471 or Commercial (202) 382-1471.

These teams can be formed now and may very well include as members, those individuals who attend the National Office training program on the Agriculture Credit Act.



VANCE L. CLARK
Administrator

Send via electronic mail on Aug 30 at 1:56 by ASD. A copy of this AN will be duplicated by the District Directors, and distributed to the County Offices. State Directors will immediately distribute to the Farmer Programs Chiefs.